

DAILY MARKETS OVERVIEW

5 FEBRUARY 2019

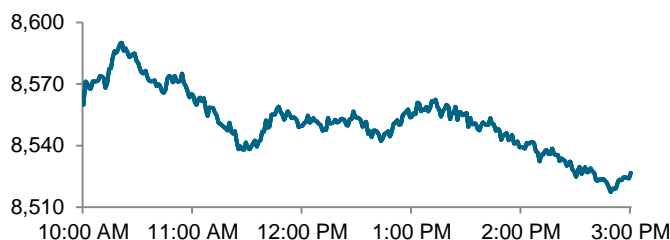
السوق السعودي الفرنسي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	8,521	-0.1	-0.5	8.9	18.2
Saudi (NOMU)	3,161	-0.3	3.4	25.4	9.2
Energy	4,711	-1.2	-1.1	-2.8	19.5
Materials	5,622	0.3	-0.2	7.1	17.8
Capital Goods	4,131	0.3	0.1	5.9	22.3
Com. & Prof. Svc	4,389	0.1	-0.2	6.1	18.7
Transportation	3,615	-0.9	0.3	4.0	19.9
Cons. Durables & Apparel	3,721	-0.6	-0.3	1.6	NA
Consumer Services	3,193	-0.1	-0.6	8.4	NA
Media	10,587	0.2	0.5	4.0	NA
Retailing	6,766	-0.4	-0.8	-1.4	32.5
Food & Staples Retailing	5,771	-1.0	-1.5	-2.9	23.7
Food & Beverages	4,415	0.9	-0.3	13.5	NA
Health Care Equipment	3,751	0.0	-0.8	-0.2	20.2
Pharma, Biotech & Life Science	3,786	-0.9	-0.7	-2.4	26.6
Banks	8,152	-0.1	-0.5	13.0	14.3
Diversified Financials	3,605	0.2	0.8	3.7	NA
Insurance	4,297	-0.2	-0.1	2.9	NA
Telecommunication	5,884	-0.1	-0.6	8.8	18.4
Utilities	3,672	-2.0	-4.2	9.0	NA
REITs	3,590	-0.4	-0.8	-0.9	NA
Real Estate	3,306	-1.1	-0.6	2.5	24.4

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Saudi Arabian Amiantit Co.	7.61	5.1%	60
Saudia Dairy and Foodstuff Co.	104.80	4.8%	43
Allied Cooperative Insurance Group	23.10	3.1%	19
Savola Group	33.20	2.5%	17
Dallah Healthcare Holding Co.	67.60	2.4%	43

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	Vs. Consensus
Hail Cement Co	4-Feb	4Q18	8.5	115.5	0.09	NA
Al Rajhi Bank	3-Feb	4Q18	2,772.5	13.0	1.71	BEAT
The Saudi Investment Bank	3-Feb	4Q18	374.6	6.4	0.50	MISS
Banque Saudi Fransi	3-Feb	4Q18	268.8	-36.4	0.22	MISS
United International Transportation Co.	3-Feb	4Q18	46.5	115.3	0.65	NA

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of February 5, 2019

(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.1% lower at 8,521, while NOMU ended 0.3% lower at 3,161 on Monday. TASI traded value totaled SAR 2.6bn and averaged SAR 3.1bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 38% of the daily traded value.
- Banks declined 0.1% while Materials closed 0.3% higher. Telecom closed 0.1% lower. Food & Beverages (up 0.9%) was the best performer. Among stocks, Saudi Arabian Amiantit Co. (2160/SAAC AB), Saudia Dairy and Foodstuff Co. (2270/SADAFCO AB), and Allied Cooperative Insurance Group (8150/ACIG AB) led the gainers.
- The General Authority for Statistics (GASTAT) revealed that KSA's gross savings jumped 29.9% Y/Y to SAR 277bn (USD 73.9bn) in 3Q18 from SAR 213bn (USD 56.8bn) a year earlier. The gross savings to GDP ratio reached 37.6% in 3Q18 versus 33.1% for the same quarter in 2017. (Source: Argaam)
- The General Authority of Civil Aviation (GACA) launched eight initiatives to boost aviation and logistics services in KSA. The initiatives are part of the National Industrial Development and Logistics Program (NIDLP), one of the Vision 2030 programs. (Source: Argaam)
- KSA allocated SAR 27bn (USD 7.2bn) in expenditure for NIDLP projects and initiatives in 2019, according to the program's CEO. The new program, in line with Saudi Vision 2030, is forecast to help the development of 11 industries. (Source: Argaam)
- ACWA Power announced plans to boost its water desalination and power generation capacity and grow twofold over the next five years with investments estimated at USD 35bn (SAR 131bn). (Source: Trade Arabia)
- Almarai Co. (2280/ALMARAI AB) signed an agreement with Almarai Foods CJSC to acquire 100% stake in Premier Foods LLC for a value of SAR 108mn (USD 28.8mn). This transaction is fully financed from Almarai's operating cash flow. The financial impact of this acquisition will be reflected in 2Q19 results. (Source: Argaam)
- Herfy Food Services Co. (6002/HERFY AB) opened its third franchised branch in Bangladesh. The financial impact of the branch will be effective starting from 1Q19. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Solidarity Saudi Takaful Co.	16.22	-3.8%	2
Emaar The Economic City	9.12	-3.4%	21
Red Sea International Co.	15.50	-3.0%	5
Saudi Steel Pipe Co.	26.05	-2.8%	149
United Wire Factories Co.	16.1	-2.4%	1

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Saudi Basic Industries Corp.	123.00	0.7%	322
Al Rajhi Bank	101.40	0.2%	277
Saudi Steel Pipe Co.	26.05	-2.8%	149
Alinma Bank	24.20	0.0%	135
Dar Alarkan Real Estate Development Co.	10.08	-0.2%	101

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,529	-0.4	-1.5	0.0	7.7
Abu Dhabi (ADX)	5,128	1.0	1.6	4.3	13.5
Kuwait (KSE)	5,262	0.4	0.1	1.5	18.5
Qatar (QE)	10,728	0.4	0.1	4.2	15.6
Oman (MSM)	4,166	0.5	0.0	-3.6	8.3
Bahrain (BSE)	1,398	0.1	0.4	4.5	9.0
DJMENA Index	591	0.2	-0.1	6.2	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,725	0.7	0.7	8.7	18.1
US (NASDAQ 100)	7,348	1.2	1.2	10.7	20.8
UK (FTSE 100)	7,034	0.2	0.2	4.5	15.7
Germany (DAX)	11,177	0.0	0.0	5.8	12.2
France (CAC 40)	5,000	-0.4	-0.4	5.7	15.4
Russia (MICEX)	2,524	0.1	0.1	6.5	5.3
Japan (Nikkei)	20,884	0.5	0.5	4.3	14.6
Hong Kong (HSI)	27,990	0.2	0.2	8.3	10.6
South Korea (KOSPI)	2,203	0.0	0.0	8.0	10.7
China (SHCOMP)	2,618	0.0	0.0	5.0	12.3
India (NIFTY)	10,912	0.2	0.2	0.5	22.7
Brazil (IBOV)	98,589	0.7	0.7	12.2	21.7
Turkey (BIST 100)	1,02,255	-0.7	-0.7	12.0	7.3
Egypt (EGX30)	14,366	1.7	1.7	10.2	12.9
MSCI Emerging Markets	1,048	-0.2	-0.2	8.5	12.6
MSCI World	2,038	0.4	0.4	8.2	16.6

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	62.5	-0.4	-0.4	16.2	-7.6
Natural Gas (\$/mmbtu)	2.7	-2.7	-2.7	-9.5	-10.3
Gold (\$/oz)	1,312	-0.4	-0.4	2.3	-2.0
Silver (\$/oz)	15.9	-0.3	-0.3	2.4	-5.2
Platinum (\$/oz)	821	-0.4	-0.4	3.2	-17.2
Copper (\$/t)	6,151	0.6	0.6	3.4	-13.7
Zinc (\$/t)	2,808	0.7	0.7	11.5	-21.9
Lead (\$/mt)	2,096	0.1	0.1	4.3	-20.8
Wheat (\$/bu)	526	0.3	0.3	4.5	2.1
Corn (\$/bu)	379	0.3	0.3	1.1	-4.5
Sugar (\$/lb)	12.9	2.0	2.0	6.8	-14.8

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.73	0.00	-0.08	0.00
Saudi Arabia	2.97	0.00	-0.01	0.23
UAE	2.88	0.23	0.04	0.14
Kuwait	2.56	0.00	0.25	-0.17
Qatar	2.92	0.03	0.01	0.18
Bahrain	3.95	0.00	0.00	1.22

Source: Reuters

NOTES: (1) Prices updated as of February 5, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the green on Monday. S&P 500 and NASDAQ gained 0.7% and 1.2%, respectively. Dow Jones Industrial closed 0.7% higher. In Europe, UK gained 0.2%. Germany ended flat while France declined 0.4%.
- Asian markets are trading mixed on Tuesday. China, South Korea and Hong Kong are closed for Trading. Japan is trading flat, while India is up 0.1% in the morning session.
- GCC markets ended mixed on Monday. Dubai declined 0.4% while Abu Dhabi closed 1.0% higher. Both Kuwait and Qatar ended 0.4% higher. Oman and Bahrain closed 0.5% and 0.1% higher, respectively.
- According to the CEO of GCC Interconnection Authority, Gulf countries may export their excess electricity of 60,000 megawatt (MW) to Europe. He said that GCC countries aim to export the surplus power to Europe, after completing the interconnection project that links KSA, Egypt, and Jordan. (Source: Argaam)
- Dubai's Federal Authority for Identity and Citizenship (FAIC) has started implementing the Cabinet decision to give residence visas of up to 10 years to investors, entrepreneurs, and people with special talents as well as their families. (Source: Zawya)
- KSA and Bahrain signed an agreement to set up a team to conduct a feasibility study on boosting oil output, benefiting from the carbon dioxide (CO₂) produced by Saudi Aramco. They also discussed joint efforts to execute projects, including a new pipeline. (Source: Argaam)
- Nasdaq Dubai and FTSE Russell have signed a license agreement to launch derivatives on FTSE Russell's Saudi Arabia equity indices. In February, Nasdaq Dubai will launch futures on the FTSE Saudi Arabia Index. (Source: Argaam)
- Dubai South stated that it aims to spend AED 2.0bn (USD 545mn) to build an e-commerce free trade zone offering foreign firms 100% ownership. The new 920,000 square meter trade zone, known as EZDubai, is intended to attract the e-commerce, logistics, and other related industries, with construction expected to start in 2019. (Source: Zawya)
- Oman Aviation Group, a government entity in charge of investments in the country's civil aviation sector, is seeking an adviser for debt financing of around USD 5bn (OMR 1.9bn). (Source: Zawya)
- Cinépolis - the world's fourth largest cinema exhibitor - has opened its first location in Bahrain, marking its official entry into the GCC movie theatre sector. Cinépolis has launched its new location at the Atrium Mall, Saar, Bahrain. (Source: Arabian Business)

Coming Up

- UK's CIPS/PMI Service Index for January 2019 (prior: 51.2) will be announced today. (Source: Econoday)
- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended February 1 (prior: 0.9mn barrels) will be announced tomorrow. (Source: Econoday)
- US jobless claims for the week ended February 2 (prior: 253K) will be announced on February 7. (Source: Econoday)



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